

AIR AMBULANCE

ELIGIBLE PROVIDERS

In order to receive payment, all eligible servicing and billing provider's National Provider Identifiers (NPI) must be enrolled with South Dakota Medicaid.

An air ambulance must be licensed and equipped according to [ARSD Ch. 44:05:05](#). Out of state providers must be licensed and enrolled with their home state's Medicaid agency.

ELIGIBLE RECIPIENTS

Providers are responsible for checking a recipient's Medicaid ID card and verifying eligibility before providing services. Eligibility can be verified using South Dakota Medicaid's [online portal](#).

The following recipients are eligible for medically necessary services covered in accordance with the limitation described in this chapter and in the table below:

Coverage Type	Coverage Limitations
Medicaid/CHIP Full Coverage	Medically necessary services covered in accordance with the limitations described in this chapter.
Medicaid – Pregnancy Related Postpartum Care Only (47)	Coverage restricted to family planning and postpartum care only.
Qualified Medicare Beneficiary – Coverage Limited (73)	Coverage restricted to co-payments and deductibles for Medicare Part A and Part B covered services.
Medicaid – Pregnancy Related Coverage Only (77)	Coverage restricted to pregnancy related services only including medical issues that can harm the life of the mother or baby.
Unborn Children Prenatal Care Program (79)	Coverage restricted to pregnancy related services only including medical issues that can harm the life of the mother or baby.

Refer to the [Recipient Eligibility](#) manual for additional information regarding eligibility.

COVERED SERVICES AND LIMITS

Air ambulance services are limited to transporting a recipient to the nearest medical provider that is equipped or trained to provide the necessary service. Air ambulance services must meet the following criteria:

- The transportation is medically necessary because of time, distance, emergency, or other factors or when transportation by any other means is contraindicated; and
- The transportation must be the result of a physician or other licensed practitioner's written orders requiring the specific level of air transportation for medical purposes.

The following services are eligible for payment when provided by a participating ambulance provider that meets the above-criteria:

- Base fee for fixed wing emergency air ambulance, including one attendant;
- Base fee helicopter emergency air ambulance, including one attendant;
- Services of additional attendants when medically necessary;
- Transportation of an additional South Dakota Medicaid recipient when billed with the TK modifier; and
- Loaded mileage. Mileage may not be billed for more than one patient per trip.

NON-COVERED SERVICES

Services not specifically listed in the covered services section are considered non-covered.

DOCUMENTATION REQUIREMENTS

Record Retention

Providers must keep legible medical and financial records that fully justify and disclose the extent of services provided and billed to South Dakota Medicaid. These records must be retained for at least 6 years after the last date a claim was paid or denied. Records must not be destroyed when an audit or investigation is pending. Per [ARSD 67:16:01:08](#) health services that are not documented are not covered. Providers must grant access to these records to agencies involved in a Medicaid review or investigation.

Air Ambulance Documentation Requirements

A copy of the physician or other licensed practitioner's written order specifying the medical necessity and the level of air transportation medically required must be maintained in the provider's records and made available on request.

REIMBURSEMENT AND CLAIM INSTRUCTIONS

Timely Filing

South Dakota Medicaid must receive a provider's completed claim form within 6 months following the month the service was provided. Requests for reconsiderations will only be considered if they are received within the timely filing period or within 3 months of the date a claim was denied. The time limit may be waived or extended by South Dakota Medicaid if one or more of the following situations exist:

- The claim is an adjustment or void of a previously paid claim and is received within 3 months after the previously paid claim;
- The claim is received within 6 months after a retroactive initial eligibility determination was made as a result of an appeal;
- The claim is received within 3 months after a previously denied claim;
- The claim is received within 6 months after the provider receives payment from Medicare or private health insurance or receives a notice of denial from Medicare or private health insurance; or
- To correct an error made by the department.

Third-Party Liability

Medicaid recipients may have one or more additional source of coverage for health services. South Dakota Medicaid is the payer of last resort, meaning Medicaid only pays for a service if there are no other liable third-party payers. There are a few exceptions to this rule, such as services provided by Indian Health Services.

Providers must pursue the availability of third-party payment sources. Third-party liability (TPL) is the legal obligation of a third party to pay for all or part of a recipient's medical cost. Third-party payers include private health insurance, worker's compensation, disability insurance, and automobile insurance. Medicare is primary to South Dakota Medicaid and must be billed first. Any balance after Medicare payment should be billed to other TPL payers prior to billing Medicaid.

Providers should use the [Medicare Crossover billing instructions](#) if the recipient has Medicare coverage and the [Third-Party Liability billing instructions](#) for all other instances of third party liability.

Reimbursement

The rate of payment for air ambulance service is the base fee, loaded mileage, and other medically necessary covered services. Payment is limited to the lesser of the provider's usual and customary charge or the fee contained on the department's fee schedule [website](#).

Claim Instructions

- A claim for air ambulance must be submitted at the provider's usual and customary charge.
- A claim for air ambulance service may contain only air ambulance procedure codes found on the department's [transportation fee schedule](#).
- A provider may bill for services only if a recipient was transported.
- Charges for transporting the recipient from the airport to the hospital or from the hospital to the airport must be billed by the ground ambulance provider and may not be included in the air ambulance charge.
- When applicable, the TK modifier, which indicates an additional South Dakota Medicaid recipient is being transported, must be included on a provider's claim. Modifier payment effects are described on the department's [website](#).
- Applicable descriptive modifiers are required on the claim.

DEFINITIONS

1. "Air ambulance," an aircraft, fixed-wing or helicopter, that is designed or can be quickly modified to provide emergency transportation of wounded, injured, sick, invalid, or incapacitated human beings or expectant mothers to or from a place where medical care is provided and is licensed by the Department of Health under the provisions of [chapter 44:05:05](#);
2. "Ambulance provider," a company, firm, or individual licensed by the Department of Health under the provisions of [article 44:05](#) to provide ambulance services or, if based out of state, a

company, firm, or individual which provides ambulance services and is a participating Medicaid provider in the state where it is located;

3. "Loaded mileage," mileage driven or flown while a patient is being transported; and
4. "Trip," the transporting of a person from the person's home to a medical provider, between medical providers, or from a medical provider to the person's home.

REFERENCES

- [Administrative Rule of South Dakota \(ARSD\)](#)
- [South Dakota Medicaid State Plan](#)
- [Code of Federal Regulations](#)

FREQUENTLY ASKED QUESTIONS

- 1. Does Medicaid pay for ambulance services when an ambulance is called and responds, but the recipient is not transported?**

No, this is not a covered service per [ARSD 67:16:25:02](#).

- 2. Can an air ambulance bill for the transportation of the recipient from the airport to the hospital or from the hospital to the airport?**

No, this must be billed by the ground ambulance per [ARSD 67:16:25:08](#).